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Ahmadreza Zare

*International Economy Department, Faculty of management and marketing
National Technical University of Ukraine "Igor Sikorsky Kyiv Polytechnic Institute"
Shiraz, Iran*

Nataliya Yudina

*Laureate of the President of Ukraine Prize for young scientists,
Ph.D. in Economics, Associate professor, ORCID: 0000-0002-1730-9341
Associate professor of the Department of Industrial Marketing
National Technical University of Ukraine "Igor Sikorsky Kyiv Polytechnic Institute"
the founder of the Group of companies «Factory of Decisions «Scarlet Sails»
Portal Futurolog (<http://futurollog.com.ua>)
Kyiv, Ukraine*

INSURANCE OF GLOBAL MENTAL CHALLENGES *

Important changes started to appear on the global insurance market. Uncertain challenges make a growing number of threats for the people and it needs international insurance organizations to be founded like InsuResilience Global Partnership for Climate and Disaster Risk Finance and Insurance Solutions (2017), G7, G20-V20 Dialogues (2015), Global Risk Financing Facility (2018), and so on. Their goals correspond to many of 17 Global Goals of Sustainable Development (2015) because their mission is to insure a large number of people that can be in trouble simultaneously in situation that will be difficult to repair or escape, for instance, risks of poverty, famine, the outbreak of a disease and so on. But now the humankind faces too global risks which are able to touch every human. They are about a World War III, a pandemic and different mental challenges.

History of insurance has its roots in 4000-3000 BC when the merchants moved between China and Babylon [3]. Later in different ancient societies thought the modern property and liability insurances come from 17th century in case of Great fire in London and starting of the London Assurance Corporation and the Royal Exchange Assurance Corporation, and later Lloyd's of London as an international company [1]. Other countries are also involved in this business and now all people have a part of their lives which is in need of using insurances. As we know all the world around us is always changing. Innovations, information and technologies change the shape of our lives so rapidly. And insurances are not exception of these changes. This economic branch has a lot of attention, but what are these changes and how will it change in the future?

Five trends have been impacting the insurance industry: AI, blockchain, digitization, personalization and data, as well as hiring and retaining technically skilled talent [2]. Of course technologies found their way in insurance industries and it means that insurance companies and customers can have more information about each others. Prospective technological startups are working now in this industry and they bring a lot of new ideas to increase the competitiveness. Many applications, websites and unconventional online-advertising are replacing the old systems of marketing and now all of them try to attract as many customers as possible because of big numbers have been always beneficial for these companies.

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So now there are some things to concern here. One of them is the example of a situation when the car makers started to look for a big market by having a lot of customers instead of special people. As the results, many people understood the need of insurances. It was a great break in this industry: many new risks also came to the insurance market and many opportunities appeared to expand insurance market. However many of the new purchases and products people buy are using indirect agreements and guarantees which cover many of costumers needs.

One of the ways by which insurance companies pursue in this area is to personalize and use digital and big data analyzes for making new arrangements which save more money for customers and make the prices be more competitive. It seems to be a great idea to find a contract which provides any customer's needs by better understanding of that person. It will be more convincing and more accurate for using, but the problem will occur when it comes to a jurisdictional level. Insurance has a very complicated jurisdictional legal baggage which is a big problem right now. With this system a way will be much worse and of course it makes it be risky and also not trustful for both, big companies or customers, to accept terms and work with this system.

Another problem is that the new generation don't trust insurance companies and gain their trust with much information. Different insurance companies which work in this area seem to be hard too. The new generation has new concerns which haven't existed before. And it can make the future and many areas which insurer work in be different. In the new era one of the areas is traveling and people travel much more than they have done before in the previous century. Travel insurance is an attractive and lucrative market for insurers. But many people from new generation think that air traveling is very harmful for environment. And recently in the developed countries some of them have started to reduce their travels by airplane and replace them by trains. In the future when environmental problems become more serious, maybe this new field of insurance will have to change itself a lot. It also can happen with energies. Many of developed countries try to reduce their fossils energy consumption and this can affect this area. These two big categories of insurances may change a lot on the insurance market in the future which is not so far.

This industry has worked for four centuries. Now it faces the places which are crossroads and divisions. Choosing smart now is harder than ever, though it is more important than ever. This is an issue for everyone: from startups to old big companies, technologies, which can be so helpful and also so risky to bring in this market, from the retiring generation to the new generation, which is hard to be attracted and convinced, whom has a lot of ideas for the future and environmental problems, also from new markets to find and expand businesses and markets to the fact that many countries (even developed countries) which still have a problem with old insurance services, for example, health cares) and so on.

Mental risks including different kinds of ideology are able to cover minds too many people in the global world simultaneously [5-7]. It can also provoke some wrong actions by different internet-communities. Additionally, the mental risks and their consequences are about uncertainty too much [4; 8; 9]. Global information and communication technologies facilitate the instant sharing any information among people. And there are no singular mental criteria of global information risks because in the global world there are too many different and controversial points of view what is good and what is bad for the humankind.

Our research suggests that single international insurance organizations may not get well through some global insurable events. On the one hand it raises the profile of international reinsurance between such the kinds of the global insurance organizations. On



the other hand their different association and co-working are necessary for their effective fight against global uncertain risks.

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